
CMS Manual System

Pub. 100-04 Medicare Claims Processing

Department of Health & Human Services (DHHS)
Centers for Medicare & Medicaid Services (CMS)

Transmittal 351

Date: OCTOBER 29, 2004

CHANGE REQUEST 3531

SUBJECT: Editing of Hospitals and Skilled Nursing Facilities Part B Inpatient Services (Full Replacement of Change Request 3366)

I. SUMMARY OF CHANGES: This instruction updates Change Request 3366 as follows:

- Removes revenue code 024x “all inclusive ancillary” from the non-payable table for Hospital Part B inpatient services (12x Type of Bill);
- Removes revenue codes 0634 “EPO under 10, 000 units” and 0635 “EPO over 10,000 units” from the non-payable table for SNFs (22x TOB) and hospitals (12x TOB) inpatient Part B services;
- Removes revenue code 0379 “other anesthesia” from the non-payable table for SNFs (22x TOB) and hospitals (12x TOB) inpatient Part B services;
- Removes revenue code series 096x “professional fees” and replaces it with 0960, 0961, 0962, and 0969 from the non-payable table for SNFs (22x TOB) and hospitals (12x TOB) inpatient Part B services; and
- Removes revenue code 0948 (not a valid code) from the non-payable table for SNFs (22x TOB) and hospitals (12x TOB) inpatient Part B services.

NEW/REVISED MATERIAL - EFFECTIVE DATE: January 1, 2005

***IMPLEMENTATION DATE: January 3, 2005**

Disclaimer for manual changes only: The revision date and transmittal number apply to the red italicized material only. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual not updated.)
(R = REVISED, N = NEW, D = DELETED) – (Only One Per Row.)

R/N/D	CHAPTER/SECTION/SUBSECTION/TITLE
R	4/240/240.1/Editing of Hospital Part B Inpatient Services
R	7/Table of Contents

R	7/10/10.1.1/Editing of Skilled Nursing Facilities Part B Inpatient Services

***III. FUNDING:**

These instructions shall be implemented within your current operating budget.

IV. ATTACHMENTS:

X	Business Requirements
X	Manual Instruction
	Confidential Requirements
	One-Time Notification
	Recurring Update Notification

***Medicare contractors only**

Attachment - Business Requirements

Pub.100-04	Transmittal: 351	Date:October 29, 2004	Change Request: 3531
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SUBJECT: Editing of Hospitals and Skilled Nursing Facilities Part B Inpatient Services (Full Replacement of Change Request 3366)

I. GENERAL INFORMATION

- A. Background:** As communicated in Change Request (CR) 3366, Medicare pays under Part B for physician services and for non-physician medical and other health services when furnished by a participating hospital to an inpatient of the hospital or by a participating Skilled Nursing Facility (SNF) to one of its inpatients when the patient is not eligible or entitled to Part A benefits or the patient has exhausted their Part A benefits.

CR 3366, previously released on July 23, 2004, required the SSM to install an edit to assure payment is made on 12x and 22x type of bills (TOBs) only for those services defined in §10, Chapter 6, of the Medicare Benefit Policy Manual, Publication 100-02 as an inpatient Part B service.

This instruction updates as follows:

- Removes revenue code 024x “all inclusive ancillary” from the non-payable table for hospital Part B inpatient services (12x TOB);
- Removes revenue codes 0634 “EPO under 10, 000 units” and 0635 “EPO over 10,000 units” from the non-payable table for SNFs (22x TOB) and hospitals (12x TOB) inpatient Part B services;
- Removes revenue code 0379 “other anesthesia” from the non-payable table for SNFs (22x TOB) and hospitals (12x TOB) inpatient Part B services;
- Removes revenue code series 096x “professional fees” and replaces it with 0960, 0961, 0962, and 0969 from the non-payable table for SNFs (22x TOB) and hospitals (12x TOB) inpatient Part B services; and
- Removes revenue code 0948 (not a valid code) from the non-payable table for SNFs (22x TOB) and hospitals (12x TOB) inpatient Part B services.

In addition, we are updating §300.5.1, Chapter 15 of the Medicare Benefit Policy Manual to include 22x TOB as an applicable TOB for Diabetes Self-Management Training.

- B. Policy:** In accordance with §10, Chapter 6, of the Medicare Benefit Policy Manual, Publication 100-02, Medicare pays for inpatient Part B services provided by a

participating provider either directly or under arrangements to an inpatient of that provider, but only if payment for these services cannot be made under Part A.

The following revenue codes should never be paid:

010x	011x	012x	013x	014x	015x	016x	017x
018x	019x	020x	021x	022x	023x	024x*	0250
0251	0252	0253	0256	0257	0258	0259	0261
0269	0270	0273	0277	0279	029x	0339	036x
0370	0374	041x	045x	0472	0479	049x	050x
051x	052x	053x	0541	0542	0543	0544	0546
0547	0548	0549	055x	057x	058x	059x	060x
0630	0631	0632	0633	0637	064x	065x	066x
067x	068x	072x	0762	078x	079x	093x	0940
0941	0943	0944	0945	0946	0947	0949	095x
0960	0961	0962	0969	097x	098x	099x	100x
210x	310x						

* This revenue code is not payable for type of bill 22x, but it is payable for type of bill 12x.

C. Provider Education: A Medlearn Matters provider education article related to this instruction will be available at www.cms.hhs.gov/medlearn/matters shortly after the CR is released. You will receive notification of the article release via the established "medlearn matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web site and include information about it in a listserv message within one week of the availability of the provider education article. In addition, the provider education article must be included in your next regularly scheduled bulletin.

II. BUSINESS REQUIREMENTS

"Shall" denotes a mandatory requirement

"Should" denotes an optional requirement

Requirement Number	Requirements	Responsibility (place an "X" in the columns that apply)								
		FI	RHHI	Carrier	DMERC	Shared System Maintainers				Other
						FISS	MCS	VM	CW	
3531.1	The SSM shall edit to assure that payment is not made on type of bill 12x and 22x for claims containing the revenue codes listed in the table in the policy section.					X				

Requirement Number	Requirements	Responsibility (place an "X" in the columns that apply)								
		FI	RHHI	Carrier	DMERC	Shared System Maintainers				Other
						FISS	MCS	VM	CW	
3531.2	The SSM shall deny lines containing the prohibited revenue codes with the appropriate MSN.					X				
3531.3	The FIs shall use MSN message 21.21, when denying services in these revenue codes.	X								
3531.4	The FIs shall place reason code M28 on the remittance advice when denying services on the specified revenue codes.	X								

III. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

- A. Other Instructions: N/A
- B. Design Considerations: N/A
- C. Interfaces: N/A
- D. Contractor Financial Reporting /Workload Impact: N/A
- E. Dependencies: N/A
- F. Testing Considerations: N/A

IV. SCHEDULE, CONTACTS, AND FUNDING

<p>Effective Date: January 01, 2005</p> <p>Implementation Date: January 03, 2005</p> <p>Pre-Implementation Contact(s): Diana Motsiopoulos at dmotsiopoulos@cms.hhs.gov or Bill Ruiz at wruiz@cms.hhs.gov</p> <p>Post-Implementation Contact(s): Regional Offices</p>	<p>These instructions shall be implemented within your current operating budget.</p>
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Medicare Claims Processing Manual

Chapter 7 - SNF Part B Billing (Including Inpatient Part B and Outpatient Fee Schedule)

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(Rev.351, 10-29-04)

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10.1.1 – Editing of Skilled Nursing Facilities Part B Inpatient Services

10.1.1 - Editing of Skilled Nursing Facilities Part B Inpatient Services

(Rev. 351, Issued: 10-29-04, Effective: 01-01-05, Implementation: 01-03-05)

Medicare pays under Part B for physicians' services and for non-physician medical and other health services listed below when furnished by a participating hospital to an inpatient of the SNF when patients are not eligible or entitled to Part A benefits or the patient has exhausted their Part A benefits.

The SSM shall edit to prevent payment on Type of Bill 22x for claims containing the revenue codes listed in the table below.

010x	011x	012x	013x	014x	015x	016x	017x
018x	019x	020x	021x	022x	023x	024x	0250
0251	0252	0253	0256	0257	0258	0259	0261
0269	0270	0273	0277	0279	029x	0339	036x
0370	0374	041x	045x	0472	0479	049x	050x
051x	052x	053x	0541	0542	0543	0544	0546
0547	0548	0549	055x	057x	058x	059x	060x
0630	0631	0632	0633	0637	064x	065x	066x
067x	068x	072x	0762	078x	079x	093x	0940
0941	0943	0944	0945	0946	0947	0949	095x
<i>0960</i>	<i>0961</i>	<i>0962</i>	<i>0969</i>	097x	098x	099x	100x
210x	310x						

When denying lines containing the above revenue codes on TOB 22x, the FI shall use MSN message 21.21– This service was denied because Medicare only covers this service under certain circumstances.

FIs shall place reason code M28 on the remittance advice when denying services on the specified revenue codes.

240.1 – Editing of Hospital Part B Inpatient Services

(Rev.351, Issued: 10-29-04, Effective: 01-01-05, Implementation: 01-03-05)

Medicare pays under Part B for physician services and for non-physician medical and other health services listed in Section 240 above when furnished by a participating hospital to an inpatient of the hospital when patients are not eligible or entitled to Part A benefits or the patient has exhausted their Part A benefits.

The SSM shall edit to prevent payment on Type of Bill 12x for claims containing the revenue codes listed in the table below.

010x	011x	012x	013x	014x	015x	016x	017x
018x	019x	020x	021x	022x	023x	0250	0251
0252	0253	0256	0257	0258	0259	0261	0269
0270	0273	0277	0279	029x	0339	036x	0370
0374	041x	045x	0472	0479	049x	050x	051x
052x	053x	0541	0542	0543	0544	0546	0547
0548	0549	055x	057x	058x	059x	060x	0630
0631	0632	0633	0637	064x	065x	066x	067x
068x	072x	0762	078x	079x	093x	0940	0941
0943	0944	0945	0946	0947	0949	095x	0960
0961	0962	0969	097x	098x	099x	100x	210x
310x							

When denying lines containing the above revenue codes on TOB 12x, the FI shall use MSN message 21.21– This service was denied because Medicare only covers this service under certain circumstances.

FIs shall place reason code M28 on the remittance advice when denying services on the specified revenue codes.